hundred person-hours to complete the reconfiguration of a DS3.[21] BellSouth also maintains that it took 15.34 person-hours to reconfigure a DS1 special access facility.[22] For the tasks involved, this is an extraordinary amount of time, particularly when one considers that BellSouth is suggesting, in effect, that it would take a team of ten persons dedicated solely to the reconfiguration of a fully channelized DS3 over one solid work week to complete the reconfiguration.

The unbelievably large amounts of time the *BellSouth Cost Study* allots for each function for channelized facilities only serves to highlight the unreasonable nature of the nonrecurring charges for ACTL moves based upon the study. The following total amounts of work time for each function are based upon a *single* fully-utilized and *single* a half-utilized (28 DS1s and 336 DS0s (12 DS0s per DS1)) special access DS3 entrance facility, respectively. It is important to recall the DS3 facility -- *and all subtending circuits* -- are moved together to the same new channel termination location:

[21] *See* Letter from Theodore R. Kingsley, Counsel for BellSouth, to Edward A. Yorkgitis, Jr., Counsel for ACSI, dated February 24, 1997, at 7-8 and attachment ("BellSouth February 24 Response"). The *BellSouth February 24 Response* is appended hereto as Exhibit H and was verified in *BellSouth's Supplemental Responses*, Exhibit E.

[22] The recent mechanizations reduced the total costs of BellSouth by approximately $250.00 and $20.00 for a special access DS3 and DS1, respectively. BellSouth has not, to date, revised its tariffs to reflect these reductions in cost, which for a DS1 or a DS3 channelized to the DS1 level reflects a savings of over 30 percent. BellSouth's failure to adjust these rates only underscores the current rates' general unlawfulness.

- Interexchange Customer Service Center (ICSC): receive Access Service Request from customer, correct and screen all ASR data inputs, enter *manual* inputs to the ASR, verify CABS and TIRKS records, create service orders (76.3 hours for the fully-utilized circuit, and 42.7 hours for the half-utilized circuit)).

- Circuit Provisioning Center (CPC): receive request and *manually* log order for scheduling purposes, review facilities records to make certain they are all accounted for in the facility design records, disburse order to other working groups, and provide any assistance to these groups with order discrepancies (46 hours (full circuit), 32 hours (half-circuit)).

- Interoffice Facility Circuit Planning Center (IFCPC): receive order and review facility and equipment planning system and database, change database records to reflect the reconfigured DS1 facilities (0.3 hours for both types of circuit).

- Network Terminal Equipment Center (NTEC): receives the requests from the CPC and logs it and sends it to the next work group (70 hours (full circuit), 36.4 hours (half circuit)).

- Network Terminal Equipment Location (NTEL): access database to make sure that existing records match the order for reconfiguration, updates the records to correct errors, verifies spare equipment and facilities, completes the circuit update, and closes out the order (23.3 hours (full circuit), 12.1 (full circuit)).

- Special Services Coordination, Tracking and Testing Center (SCCTTC)[23]: receives and analyzes each request for accuracy, "tracks" each order, and posts order completion (179.8 hours (full circuit), 95.8 hours (half circuit)).

See Exhibit G, *BellSouth's First Interrogatory Answers*, at 4-6 (describe work functions for special access ACTL move).

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[23] ACSI assumes that this is the same group as the SSC (Special Services Center) on the *BellSouth Cost Study* for special access facilities, since all the other work groups are accounted for.

In addition to the fact that the periods of time each work group needs to complete each function for both a fully utilized and a half-utilized special access DS3 strain credulity (similar results apply for switched facilities) and are unlawful on their face, there is a significant amount of redundancy in the work groups' roles. For example, the CPC, the IFCPC, and the SSCTTC all review facilities records. (The NTEL also verifies spare equipment and facilities.) Both the NTEL and the SSCTTC checks the records entered in by the ICSC and the CPC against the order for accuracy. In addition, both the NTEL and the SSCTTC close out and complete the order. Were these periods of time necessary for one work group to complete these functions, any charges based upon these time estimates would be unreasonable. The amount of duplicity in the work functions only serves to underscore the unlawful nature of BellSouth's nonrecurring charges.

The unreasonableness of these rates is further underscored by the fact that other Regional Bell Operating Companies do not assess similarly exorbitant rates, or claim such outrageous labor costs. For example, Southwestern Bell's rates for moves (*i.e.*, "Service Facility Moves") are assessed only against the highest capacity circuit:

> On facility moves involving multiplexed (subtending) channels, SFMs shall be charged only for the higher level facility provided the entire facility (the full complement of subtending channels) is being moved concurrent to that particular SFM request. If the subtending channels are requested to be moved *one at a time*, the SFM will be charged on a per each channel moved basis[24]

[24] Southwestern Bell Telephone Company, Tariff F.C.C. No. 73, 4th revised p. 7-41, § 7.2.7(A) (emphasis added). *Accord id.*, Examples 1-3. Copies of the referenced excerpts are included in Exhibit I.

In contrast with Southwestern Bell's practice, BellSouth imposes a nonrecurring charge on a channelized DS3 upon each subtending DS1 and DS0 (voice grade) channel and justifies those costs as though each channel were moved "one at a time."[25] Accordingly, BellSouth's nonrecurring rates are excessive, unjust, and unreasonable.

BellSouth's nonrecurring charges for reconfigurations have a clear, anticompetitive effect.

[25] Further demonstrating the unreasonableness of BellSouth's rates is the fact that BellSouth does *not* employ computer macros to expedite the completion of numerous, redundant database changes required for each voice grade channel on a channelized DS3 or DS1. *See* BellSouth's Answers to ACSI's Second Set of Interrogatories at 2 (July 29, 1996)("BellSouth's Second Responses to Interrogatories")(Answer No. 10). A copy of *BellSouth's Second Response to Interrogatories* is appended hereto as Exhibit J. Nor, as a general matter, does BellSouth employ cut sheets to allow mechanization processes to further reduce its costs. *Id.* at 3-5 (Answer No. 11).

Indeed, ACSI's Vice President of Carrier Sales has explained that because of the large nonrecurring charges, ACSI is limited in BellSouth territory to the new facilities market, which is only a small portion of the total access market, which therefore is dominated by BellSouth.

In sum, because the nonrecurring charges so far exceed any reasonable measure of costs, they are unjust and unreasonable in violation of § 201(b) of the Communications Act. In addition, because these charges do not reflect the underlying cost to BellSouth of making the service rearrangements, they impede competition and contravene the Commission's *Expanded Interconnection Orders*. *See* Section III, C. *supra*. Indeed, because of these unjust and unreasonable charges, ACSI effectively has been foreclosed from winning any portion of the business of BellSouth customers that have reconfigured or are planning to reconfigure their transport facilities.

V. BELLSOUTH'S NONRECURRING CHARGES FOR ACTL MOVES ARE ALSO UNREASONABLY DISCRIMINATORY

Section 202(a) of the Communications Act declares that:

> [i]t shall be unlawful for any common carrier to make any unjust or unreasonable discrimination in charges, practices, classifications, regulations, facilities, or services for or in connection with like communication service,

> directly or indirectly, by any means or device, or to make or give any undue or unreasonable preference or advantage to any particular person, class of persons, or locality, or to subject any particular person, class of persons, or locality to any undue or unreasonable prejudice or disadvantage.

47 U.S.C. § 202(a). Seeking to implement Section 201(a) in the specific area of nonrecurring charges for reconfigurations, the *Expanded Interconnection Orders* prohibit discrimination between the application of nonrecurring charges when a customer shifts to an interconnector's services versus the application of nonrecurring charges when a customer reconfigures its services with the LEC. Specifically, the *Expanded Interconnection Orders* require that any differences between these two types of nonrecurring charges be cost-based.[26] Moreover, the *Orders* require that if a LEC waives nonrecurring charges when a customer reconfigures with the LEC, the nonrecurring charges that are charged a customer who reconfigures to this service from an interconnector may not exceed "an amount reflecting the difference between the costs of the two different types of reconfigurations."[27]

BellSouth's unjust and unreasonable discrimination in the application of nonrecurring charges is not readily apparent because its tariff does not contain explicitly discriminatory terms regarding the application of nonrecurring charges for reconfigurations. Rather, the ostensibly neutral rate structure is ambiguous. The ambiguity allows BellSouth to apply the

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[26] *Switched Access Second Report and Order*, 8 FCC Rcd at 7439 (citing *Special Access Second Reconsideration Order*, 8 FCC Rcd at 7362).

[27] *Special Access Second Reconsideration Order*, 8 FCC Rcd at 7362.

nonrecurring charges at issue in an unreasonably discriminatory manner. *See* Exhibit 1 to Exhibit B, *Layman Declaration, i.e.,* Mr. French's Letter.

The record evidence shows that BellSouth has, indeed, applied its nonrecurring charges for reconfiguration in an unlawfully discriminatory manner in violation of both Section 202(a) and the *Expanded Interconnection Orders*. *First*, BellSouth admits that on at least three separate occasions it simply and improperly

As BellSouth notes, in each instance, the customer remained with BellSouth.[28]

Furthermore, BellSouth, in its discovery responses makes clear that there is no way for BellSouth to ascertain how many other instances in which a *de facto* waiver of the charges at issue has occurred. BellSouth explains that, as a matter of course, it keeps no records when a reconfiguration does not involve a nonrecurring charge.[29] In other words, it is merely fortuitous that we know about the

Moreover, BellSouth's lack of data also prevents the company from stating how many of the nonrecurring charges it did assess between the third quarter of 1994 through the fourth quarter of 1996 for reconfigurations were assessed against entities

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[28] Exhibit F, *April 21 Letter*, at 3. (item (5), referencing supplemental response to Interrogatory No. 8).

[29] *See* Exhibit H, *BellSouth February 24 Response*, at 5 ("BellSouth does not maintain records for items for which no charge applies.")

that moved facilities to CAPs.[30] Despite ACSI's Interrogatory No. 6, which sought such information, ACSI's June 18, 1996, Motion to Compel an answer to Interrogatory No. 6, and the Commission's *March 4 Letter Ruling* compelling BellSouth to state how many of these charges were associated with BellSouth-to-BellSouth moves and how many with BellSouth-to-CAP moves, the record is utterly void of any specific identified instance where the charges were assessed against a customer that reconfigured facilities with BellSouth. *See BellSouth Supplemental Responses* at 24-25 (Second Supplemental Answer No. 6, explaining that BellSouth does not have data to determine whether the reconfiguration included in response to Interrogatory No. 5 involved BellSouth-to-BellSouth or Bell-South-to-CAP reconfigurations).

Second, BellSouth has violated Section 202(a) and the *Expanded Interconnection Orders* because the difference in rates between different types of reconfigurations do not reflect the differences in costs of the two different types of reconfigurations.[31] Specifically, the differences in nonrecurring charges assessed under the network optimization waiver ("NOW") program -- zero -- and the nonrecurring charges assessed in an ACTL move scenario do not reflect the differences in costs. BellSouth, in its Answer to ACSI Interrogatory No. 2, described the activities required to reconfigure a DS3 and DS1 facility

[30] *See, e.g., Exhibit E, BellSouth's Supplemental Responses*, 23 (Interrogatory No. 5) (number of ACTL moves, per quarter, that were assessed a non-recurring charge).

[31] *See Special Access Second Reconsideration Order*, 8 FCC Rcd at 7362.

of a BellSouth customer with BellSouth and with a CAP. It is for the completion of these activities that BellSouth assesses the nonrecurring charges for ACTL moves that are at issue in this case. However, in *BellSouth's Supplemental Responses*, BellSouth explained that in a NOW reconfiguration, a number of activities occurred to ensure each request qualified for the NOW waiver.[32] If the request was determined to meet the NOW criteria, BellSouth explained that there were additional activities possible including:

- Pull TIRKS scans to identify circuits impacted.
- Pull ICADS information to identify circuits impacted.[[33]]
- Review CABS records for circuits impacted.
- Validate with customer the circuits to be involved with NOW.
- Letters sent to customer, ICSC and Project Management addressing specific details pertinent to the NOW project.[[34]]

In addition, upon completion of those activities and verification of the information submitted by the customer to qualify for the NOW waiver, "the steps as outlined for [access service requests] in [BellSouth's] responses to ACSI Interrogatory No. 2 will begin."[35] In other words, a NOW reconfiguration involved substantial activity and may indeed have included all or many of the same steps as those associated with an ACTL move, the steps which purportedly support the ACTL move nonrecurring charges discussed earlier.

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[32] Exhibit E, *BellSouth Supplemental Responses* at 21.

[33] The ICADS (Interexchange Carrier Access Data System) is a database containing specific fields from Customer Service Records (CSRs) in CABS.

[34] *Id.* at 21-22.

[35] *Id.* at 22.

Accordingly, BellSouth's practice, while the NOW program was in effect, to charge no nonrecurring charges for NOW rearrangements but to assess nonrecurring charges for ACTL moves was in direct violation of the Commission's *Expanded Interconnection* requirement that the difference in rates for different types of reconfiguration reflect the difference in costs between the different types of reconfiguration.

Based upon BellSouth's positions taken during the parties' discovery disputes, ACSI expects that BellSouth will argue that comparing the nonrecurring charges for ACTL move with NOW reconfigurations is comparing "apples" with "oranges," *i.e.*, it cannot and should not be done.[36] According to BellSouth, the only different types of reconfigurations whose costs and prices must be compared to ascertain BellSouth's compliance in this case with the *Expanded Interconnection* orders are those for different ACTL moves. ACSI strongly disagrees.

Both a move incurring an ACTL charge and a NOW rearrangement are "reconfigurations" as that term was used in the *Expanded Interconnection* orders. The Commission's discussion in the *Special Access Second Reconsideration Order* underscores the broad scope of the applicability of its requirements:

> LECs typically impose a nonrecurring charge on customers that reconfigure or rearrange their special access services. For instance, a nonrecurring charge might apply if a customer converted from several LEC-provided DS1s to a single LEC-provided DS3. A *different*, and generally higher, reconfiguration charge typically applies *when* the reconfiguration involves a change in the

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[36] *See, e.g.,* Exhibit H, *BellSouth February 24 Response* p.6 (item no. 8).

> point of circuit termination. A shift from LEC facilities to collocated interconnector facilities involves such a change in the point of termination of the facilities provided by the LEC.[37]

This passage makes clear that "reconfigurations" which the FCC addressed, and to which the nondiscrimination requirements apply, are not limited to those in which there is a change in the point of circuit termination, *i.e.*, ACTL moves, as BellSouth has continually maintained. Thus, the prices of BellSouth's "apples" (ACTL moves) and its "oranges" (NOW rearrangements) can and *must* be compared to determine if the differences reflected the differences in costs, as required by the *Expanded Interconnection Orders* . The record in this proceeding makes clear that there is *no correlation* between the costs and prices of ACTL moves relative to NOW rearrangements. What can be said is that, during the period of time in which the NOW waiver program was in effect, the nonrecurring charges for ACTL moves should have been reduced by the reconfiguration costs of a NOW rearrangement.[38] They were not, and BellSouth thus violated both the *Expanded Interconnection Orders* and Section 202(a) of the Act for the entire duration of the NOW program.

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[37] 8 FCC Rcd at 7359 (emphasis added).

[38] *Expanded Interconnection Remand Order*, 9 FCC Rcd at 5211 (where the LEC does not recover non-recurring costs from its own customers, "the LEC must not charge customers who reconfigure in order to take service from an interconnector more than an amount reflecting the difference between the costs of the two different types of reconfigurations").

Third, ACSI's Vice President of Carrier Sales has provided her information, based upon discussions with existing and prospective IXC customers, that BellSouth has assessed at most only one nonrecurring charge when the carrier maintained all of its access facilities with BellSouth, namely that for the highest level circuit for each facility. In contrast, as explained above, were the same customer to have switched its entrance facilities to ACSI, the customer would be required to pay the nonrecurring charge for the highest level circuit plus additional charges for each subtending DS1 or DS0 channel. *See* Exhibit C, *Sellers Declaration* ¶ 3.

In sum, because no cost justification exists for the enormous differences in nonrecurring charges imposed on a BellSouth-to-CAP reconfiguration versus BellSouth-to-BellSouth reconfigurations, BellSouth has violated the prohibition in Section 202(a) of the Communications Act against engaging in "unjust or unreasonable discrimination in charges . . . for or in connection with like communication service . . . ." 47 U.S.C. § 202(a). Further, BellSouth has violated the Commission's requirements that "all nonrecurring charges applicable to customers shifting to an interconnector's services are to be set no higher than cost-based levels. . . . [and] the *difference* between the charges applicable when a customer shifts to an interconnector's services and those applicable when a customer reconfigures its service with the LEC must be *cost-based.*"[39] Moreover, where waivers have been available for BellSouth's customers, *e.g.*, the NOW program, or where BellSouth has

[39] *Special Access Reconsideration Order*, 8 FCC Rcd at 7362 (emphasis added).

otherwise not charged appropriate nonrecurring charges, BellSouth's application of nonrecurring charges violates the requirement of the FCC that such charges may be set only to recover an amount equal to the *difference* in the costs of reconfiguration between reconfigurations for which nonrecurring charges are collected, and those for which they are waived. This requirement has also been violated where BellSouth waives some or all nonrecurring charges for customers that reconfigure to take access from some CAPs but not from others, as detailed earlier.

BellSouth's discrimination imposes an often insurmountable disincentive to IXCs or other large customers that desire to reconfigure with ACSI. Thus, potential ACSI customers have been dissuaded by this discriminatory application of nonrecurring charges from switching to ACSI-provided access services, and ACSI has been hindered in its ability to sell its services.

In turn, BellSouth's practices jeopardize the growth and viability of BellSouth's new access competitors, such as ACSI. ACSI has been effectively foreclosed from competing for the business of BellSouth's customers that have reconfigured or are planning to reconfigure their DTT facilities. The end result is that BellSouth has harmed ACSI, has artificially limited the access choices of BellSouth's existing customers, and has frustrated the FCC's interconnection policy objectives and its *Expanded Interconnection Orders*.

VI. DAMAGE TO ACSI

ACSI has suffered, and continues to suffer, direct damages from BellSouth's unjust, unreasonable, and discriminatory nonrecurring charges and its application of such charges. Potential ACSI customers have faced horrendous nonrecurring charges that do not reflect BellSouth's underlying costs. Moreover, these charges are far in excess of the nonrecurring charges, if any, the customer would pay were it to reconfigure with BellSouth in a manner that imposes comparable costs on BellSouth to accommodate.

In ACSI's experience, the potential customer faces three choices: (1) do not reconfigure, (2) reconfigure with BellSouth so as to avoid or minimize the excessive charges, or (3) move to ACSI and pay the charges associated with BellSouth's alleged nonrecurring costs or have ACSI absorb such charges. Exhibit C, *Sellers Declaration* ¶ 7. In these situations, the only way for ACSI to make a reasonable bid for the business of the potential customer has been to offer to pay for the significant and unreasonable reconfiguration costs imposed by BellSouth. This is typically not an economically feasible option, and the lack of alternatives has effectively foreclosed ACSI from obtaining the business of existing BellSouth customers. New growth in the access market is far outweighed by the volume of existing facilities. Therefore, as a result of BellSouth's practices, ACSI has lost, and will continue to lose, significant business opportunities. *Id.* ¶ 8.

ACSI also suffers a loss of goodwill when it is unable to process a customer's reconfiguration. As ACSI expands its operations, the magnitude of the adverse impact resulting from BellSouth's illegal practices will only mount. More specific information on ACSI's damages will be provided in a supplemental complaint as permitted by the Commission's Rules following the liability phase of this proceeding, depending on the outcome on the merits. 47 C.F.R. § 1.722.

VII. PRAYER FOR RELIEF

WHEREFORE, for the foregoing reasons, as well as those set forth in ACSI's Formal Complaint and Reply, ACSI requests that the Commission declare BellSouth's nonrecurring charges for, and their application to, ACTL moves to be unlawful, unjust, unreasonable, discriminatory and anticompetitive in contravention of the Act and the Commission's orders, rules, and policies governing expanded interconnection.

ACSI requests that the Commission order BellSouth to cease engaging in the unjust, unreasonable, and discriminatory practices alleged herein by filing tariffs that clearly set out cost-based and nondiscriminatory nonrecurring charges applicable to ACTL moves relative to all other reconfigurations. The standard for nonrecurring charges should be direct, actual costs of reconfiguration. The Commission must be able to monitor BellSouth's compliance with its *Expanded Interconnection Orders* and to ensure customers pay nonrecurring charges that reflect the costs only of the services they receive when their networks are reconfigured.

In order to compensate ACSI for BellSouth's competitively damaging behavior since October, 1994, the Commission should order a nine-month "fresh look" period during which BellSouth customers that reconfigured with BellSouth during the period October 1994 through the present will be able to reconfigure with BellSouth, ACSI, or another carrier without incurring BellSouth's ACTL move nonrecurring charges. This "fresh look" period will provide ACSI with a modest opportunity to compete for some of the business that it lost during the period of BellSouth's unreasonableness and discrimination. It will *not* foreclose BellSouth from retaining this business, but merely level the "playing field." Of course, this waiver would be available to all access customers on a tariffed basis regardless of who their access provider is following the reconfiguration. Such a "fresh look" opportunity to rectify residual market dominance would be consistent with similar requirements adopted in the past in the *Expanded Interconnection* docket and other Commission proceedings.[40] The Commission should also order BellSouth, for a period of at least nine months, to waive its nonrecurring charges for *new* ACTL moves before they are brought down to just and reasonable levels.

[40] *See, e.g., Local Competition Provisions of the Telecommunications Act of 1996*, First Report and Order, 11 FCC Rcd 15499, ¶ 1095 (1996) (subsequent history omitted)(fresh look for CMRS providers to renegotiate interconnection arrangements with incumbent LECs); *Expanded Interconnection with Local Telephone Company Facilities*, 7 FCC Rcd at 7463-7465 (fresh look to enable customers to take advantage of new competitive opportunities under special access expanded interconnection); *Competition in the Interstate Interexchange Marketplace,* Memorandum Opinion and Order on Reconsideration, 7 FCC Rcd 2677, 2681-82 (1992) ("fresh look" in context of 800 bundling with interexchange offerings); *Amendment of the Commission's Rules Relative to Allocation of the 849-851/894-896 MHz Bands*, Memorandum Opinion and Order on Reconsideration, 6 FCC Rcd 4582, 4583-84 (1991) ("fresh look" requirements imposed in context of air-ground radiotelephone service as a condition of grant of Title III license).

ACSI also requests that the Commission grant ACSI leave to file a supplemental complaint per Section 1.722 of the rules to prove out ACSI's expenses and damages suffered from paying the unjust orders, unreasonable, and discriminatory nonrecurring charges of its potential customers and for its lost business opportunities between October 1994 and the present.

ASCI also requests its attorney's fees, costs, and expenses in prosecuting this matter. Finally, ACSI requests such other relief as the Commission deems just and proper.

Respectfully submitted,

AMERICAN COMMUNICATIONS SERVICES, INC.

By:____________________

Brad E. Mutschelknaus
Edward A. Yorkgitis, Jr.
KELLEY, DRYE & WARREN LLP
1200 19th Street, N.W.
Suite 500
Washington, D.C. 20036
(202) 955-9668

Riley M. Murphy
Charles H. N. Kallenbach
AMERICAN COMMUNICATIONS SERVICES, INC.
131 National Business Pkwy.
Suite 100
Annapolis Junction, MD 20701
(301) 617-4200

Its Attorneys

April 28, 1997
(incorporates Errata of May 5, 1997)

CERTIFICATE OF SERVICE

I do hereby certify that on this 5th day of May, 1997, true and correct copies of the foregoing **Initial Brief of American Communications Services, Inc. (Redacted Version)**, were served via U.S. Mail, postage prepaid, to:

Theodore R. Kingsley, Esquire
BellSouth Corporation
1155 Peachtree Street, N.E.
Suite 1700
Atlanta, GA 30309-3610
Fax: (404) 249-2118
Phone: (404) 249-3392

and by hand delivery to:

Darius B. Withers
Attorney, Enforcement Division
Common Carrier Bureau
Federal Communications Commission
2025 M Street, N.W.
Washington, DC 20554
Fax: (202) 418-0236
Phone: (202) 418-0960

Patricia J. Goodson
Patricia J. Goodson

DC01/GOODP/38315.41

EXHIBIT A

6.7 Rate Regulations (Cont'd)

6.7.7 Moves

A move involves a change in the physical location of one of the following:

- The point of termination at the customer's premises
- The customer's premises

The charges for the move are dependent on whether the move is to a new location within the same building or to a different building.

(A) Moves Within the Same Building (Inside Moves)

When the move is to a new location within the same building, service rearrangement charges as set forth in 6.7.1 will apply, except as set forth following:

- When the move involves circuits associated with the move of Switched or Special Access High Capacity Service, charges as set forth in 6.8.5 following, will apply in addition to the appropriate charges in Section 7.

- When the move involves circuits associated with Interface Group 6, charges, as set forth in 6.8.5(B) following, will apply in addition to the charges in 6.8.6.

- When the move involves circuits associated with Interface Group 9, charges, as set forth in 6.8.5(C) following, will apply in addition to the charges in 6.8.6.

There will be no change in the minimum period requirements.

(B) Moves to a Different Building

Moves to a different building (customer premises) in a wire center serving area different than the customer's existing serving wire center serving area will be treated as a discontinuance and start of service and all applicable nonrecurring charges set forth in 6.8.1, and (T)
20.31 will apply. Service will not be available simultaneously at (T)
both the original and new customer locations. New minimum period New minimum period requirements may be established for the rearranged services in accordance with the regulations for a service. The customer will also remain responsible for satisfying all outstanding minimum period charges for the original service locations.

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6.7 Rate Regulations (Cont'd)

6.7.7 Moves (Cont'd)

(B) Moves To a Different Building (Cont'd)

Moves to a Telephone Company-provided VEIS interconnection arrangement, where the customer's and interconnector's existing wire center is (C) the same, will be treated as a service move rather than a discontinuance and start of service. DS1 and DS3 cross connect rates, nonrecurring charges, and optional feature and function charges as contained in Section 20 following, will apply. In addition, service reconfiguration charges are applicable per customer request and per circuit moved as contained in 6.8.8 following. Individual services will not be available simultaneously at both the original premises location and new wire center interconnection space. Additional cooperative end-to-end testing is available and will be conducted by the Telephone Company when requested at rates and charges contained in 13.3.5(B) following. New minimum period requirements may be established for the rearranged services in accordance with the regulations for a service. The customer will remain responsible for satisfying all outstanding minimum period charges for the original service locations.

Moves to a different building (customer premises) in the customer's existing serving wire center serving area will be treated as a service move rather than a discontinuance and start of service. Nonrecurring charges for the new local channel will apply as well as any optional feature and function charges for that local channel. In addition, service reconfiguration charges are applicable per customer request and circuit moved as contained in 6.8.8 following. Service will not be available simultaneously at both the original and new customer locations. Additional cooperative end-to-end testing is available and will be conducted by the Telephone Company at a customer's request at rates and charges contained in 13.3.5(B) following. New minimum period requirements may be established for the rearranged services in accordance with the regulations for a service. The customer will also remain responsible for satisfying all outstanding minimum period charges for the original service locations. When the move involves a multipoint service, the nonrecurring charge will apply per rate element affected.

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ACCESS SERVICE

6 - Switched Access Service (Cont'd)

6.8 Rates and Charges

6.8.8 Service Rearrangement (Cont'd)

(J) Reconfiguration Charges

	Nonrecurring Charges	USOC	
- Per Customer Request for Voice Grade reconfiguration	$ 16.00	PR1VM	(R)(x)
- Per Line Side Service (FGA, LSBSA)	19.00	PR1VR	
- Per Trunk Side Service (FGB, FGC FGD, TSBSA)	13.00	PR1VR	(R)(x)
- Per Customer Request for DS1 reconfiguration	52.00	PR11M	(I)(x)
- Per DS1 circuit reconfigured	33.00	PR11R	(R)(x)
- Per Customer Request for DS3 reconfiguration	52.00	PR13M	(I)(x)
- Per DS3 circuit reconfigured	37.00	PR13R	(R)(x)

(x) Issued under the authority of Special Permission No. 95-327.

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7.4 Rate Regulations (Cont'd)

7.4.5 Moves (Cont'd)

(A) Moves Within the Same Building

When a service is moved to a new location within the same building, the charge for the move will be an amount equal to one-half of the first service installed nonrecurring charge for the service termination affected. When a group of like services is moved to the same location inside a customer premises at the same time, the appropriate charges will be: one-half the first service installed nonrecurring charge for the first service moved of the group; and one-half the additional service installed nonrecurring charge for additional like services of that group. There will be no change in the minimum period requirements.

(B) Moves To a Different Building

Moves to a different building (customer premises) in a wire center serving area different than the customer's existing serving wire center serving area will be treated as a discontinuance and start of service and all associated nonrecurring charges will apply. Service will not be available simultaneously at both the original and new customer locations. New minimum period requirements may be established for the rearranged services in accordance with the regulations for a service. The customer will also remain responsible for satisfying all outstanding minimum period charges for the original service locations. When the move involves a multipoint service, the nonrecurring charge will apply per rate element affected.

Moves to a Telephone Company-provided VEIS interconnection arrangement, (C)
where the customer's and interconnector's existing wire center is the (C)
same, will be treated as a service move rather than a discontinuance and start of service. DS1 and DS3 crossconnect rates, nonrecurring charges, and optional feature and function charges as contained in Section 20 following, will apply. In addition, service reconfiguration charges are applicable per customer request and per circuit moved as contained in 7.5.17 following. Individual services will not be available simultaneously at both the original premises location and new wire center interconnection space. Additional cooperative end-to-end testing is available and will be conducted by the Telephone Company when requested at rates and charges contained in 13.3.5(B) following. New minimum period requirements may be established for the rearranged services in accordance with the regulations for a service. The customer will remain responsible for satisfying all outstanding minimum period charges for the original service locations. When the move involves a multipoint service, the nonrecurring charge will apply per rate element affected.

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7.4 Rate Regulations (Cont'd)

7.4.5 Moves (Cont'd)

(B) Moves To a Different Building (Cont'd)

Moves to a different building (customer premises) in the customer's existing serving wire center serving area will be treated as a service move rather than a discontinuance and start of service. Nonrecurring charges for the new local channel will apply as well as any optional feature and function charges for that local channel. In addition, service reconfiguration charges are applicable per customer request and circuit moved as contained in 7.5.17 following. Service will not be available simultaneously at both the original and new customer locations. Additional cooperative end-to-end testing is available and will be conducted by the Telephone Company at a customer's request at rates and charges contained in 13.3.5(B) following. New minimum period requirements may be established for the rearranged services in accordance with the regulations for a service. The customer will also remain responsible for satisfying all outstanding minimum period charges for the original service locations. When the move involves a multipoint service, the nonrecurring charge will apply per rate element affected. (N)

7.4.6 Mileage Measurement

Except as noted, the mileage to be used to determine the monthly rate for the Interoffice Channel is calculated on the airline distance between the locations involved, i.e., the serving wire centers associated with two customer-designated premises, a serving wire center associated with a customer-designated premises and a Telephone Company Hub, a serving wire center associated with a customer-designated premises and a WATS serving office, or two Telephone Company Hubs. The serving wire center associated with a customer-designated premises is the serving wire center from which the customer-designated premises would normally obtain dial tone. (M)

When service is provided from an alternate serving wire center, as described in 7.2.9(A) preceding, interoffice mileage is calculated on the airline distance from or to the alternate serving wire center in lieu of the wire center from which the customer-designated premises would normally receive dial tone. (M)

Certain material now appearing on this page previously appeared on 1st Revised Page 7-80.

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7.4 Rate Regulations (Cont'd)

7.4.20 Network Optimization Waiver (NOW) (M)

(A) The Network Optimization Waiver (NOW) is an offering that waives nonrecurring charges for certain Switched and Special Access Services where customers reconfigure their existing Telephone Company provided network onto certain LightGate services and SMARTRing services. In addition, termination liability charges are also waived for upgrades to higher level services or reductions in existing service capacities under certain circumstances. Specific requirements must be satisfied in order for charges to be waived, as follows: (M)

(1) Nonrecurring charges set forth in Sections 6 and 7 of this tariff will be waived when a customer reconfigures existing Special Access Voice Grade, DDAS, DS1 (excluding SMARTPath service), LightGate service, SMARTRing service and Switched Access services that are groomed or rolled over onto LightGate service or SMARTRing services. (M)

(2) Nonrecurring charges will be waived for new LightGate and SMARTRing service systems, nodes, and associated channel interfaces to which existing services are reconfigured as a direct result of NOW. Nonrecurring charges for Access Order Modifications and Cancellation of Access Orders, as contained in Sections 5.3 and 5.4 respectively of this Tariff will not be waived. Nonrecurring charges for new channel systems and related channel interface charges not directly established because of reconfiguration grooming and/or rollovers, will not be waived. (M)

(3) The customer's LightGate services and SMARTRing services, to which the network services are reconfigured, must be ordered under Channel Services Payment Plans (CSPP). However, individual DS1 and/or DS3 channel interfaces associated with LightGate service and SMARTRing service and associated Switched Access services may be provided under month-to-month terms if the existing services were provided under month-to-month rates. (M)

Certain material previously appearing on this page now appears on 3rd Revised Page 7-103.8.

Certain material now appearing on this page previously appeared on 4th Revised Page 7-103.6.

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